

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ALABAMA  
SOUTHERN DIVISION**

In Re:	)	
	)	
Sequence of Payments for the Distribution of	)	Administrative Order No. <u>11-1</u>
Attorney Fees to Debtors' Attorneys by the	)	(Southern Division ONLY
Chapter 13 Standing Trustee	)	Applicable in Cases Assigned to
	)	Judge Mitchell or Judge Cohen)

**ADMINISTRATIVE ORDER AUTHORIZING AND ALLOWING  
THE SEQUENCE OF PAYMENTS FOR THE DISTRIBUTION OF ATTORNEY FEES  
TO DEBTORS' ATTORNEYS BY THE CHAPTER 13 STANDING TRUSTEE**

The provisions of this Administrative Order are applicable ONLY in Chapter 13 cases assigned to Judge Mitchell or Judge Cohen. The following sequence of payments is authorized for the Chapter 13 Standing Trustee's distribution of funds in cases where the original petition was filed on or after March 1, 2011, if the plan or modified plan approved by the Court so provides:

- I. From payments received by the Trustee, the Trustee shall collect his percentage fee currently due from all Payments Under the Plan at the time that funds are disbursed until said fee is collected in full;
- II. From payments received by the Trustee, the Trustee shall then disburse post-petition, pre-confirmation adequate protection payments to secured or lease creditors with allowed claims as provided in the debtor's most recent plan until the amounts that are then currently due are paid in full;
- III. From payments received by the Trustee, the Trustee shall then disburse after plan confirmation the unpaid portion of any filing fees or charges due under Chapter 123 of Title 28.
- IV. From payments received by the Trustee, the Trustee shall then disburse the initial payment of attorney fees to debtor's attorney as awarded in the Confirmation Order, if an initial payment is awarded, until the initial payment is paid in full.
- V. From payments received by the Trustee, the Trustee shall then disburse pursuant to the Confirmation Order or a subsequent Order of the Court the following amounts proportionately:

- a. The monthly fixed payments awarded to secured creditors with filed, allowed claims including any amounts currently due and any unpaid arrearages; and
- b. The monthly fixed payments awarded to priority unsecured creditors with filed, allowed claims including any amounts currently due and any unpaid arrearages; and
- c. The monthly fixed payments awarded to debtor's attorney for the unpaid balance of attorney fees including any amounts due and any unpaid arrearages; and
- d. The monthly fixed payments awarded for any other administrative expense including any amounts currently due and any unpaid arrearages.

The monthly fixed payments identified above in Paragraph V. shall continue until the amounts that are then currently due are paid in full.

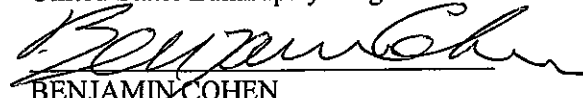
VI. The monthly fixed payments identified in Paragraph V. above that are due pursuant to the Confirmation Order or a subsequent Order of the Court but are unpaid shall accrue proportionately based upon the amount of each fixed payment awarded, and shall be paid proportionately by the Trustee on a pro rata basis from available funds on hand.<sup>1</sup>

VII. The provisions of this Administrative Order shall not be deemed collateral estoppel or res judicata as to a creditor, a creditor's attorney, or another party in interest who files an objection to confirmation or an objection to modification of a Chapter 13 plan pursuant to the United States Bankruptcy Code or other applicable law.

Dated this the 11<sup>th</sup> day of FEBRUARY, 2011.



TAMARA O. MITCHELL  
United States Bankruptcy Judge



BENJAMIN COHEN  
United States Bankruptcy Judge

<sup>1</sup> For example: If the Confirmation Order provides for fixed payments in the amount of \$200 to a secured car creditor, \$200 to a secured mortgage creditor, and \$100 to debtor's attorney for the balance of the attorney fee awarded in the Confirmation Order, and the Trustee has received a partial plan payment in the amount of \$100, the Trustee shall disburse, after payment of Trustee fees, approximately \$40 to the secured car creditor, approximately \$40 to the secured mortgage creditor, and approximately \$20 to the debtor's attorney.